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C O N F I D E N T I A L SECTION 01 OF 02 LILONGWE 000573

SIPDIS

STATE FOR AF/S - E. PELLETREAU

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TAGS: [PGOV](#) [KDEM](#) [MI](#)

SUBJECT: MALAWI: MULUZI EXPLAINS WHY HE MUST COME BACK

REF: A. LILONGWE 531

[B](#). LILONGWE 513

[C](#). LILONGWE 307

[D](#). LILONGWE 252

[E](#). LILONGWE 56

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Classified By: Charge d'Affaires Kevin Sullivan for Reason 1.4 (d)

[1](#)1. (C) Summary: In a September 4 discussion with the Charge d'Affaires, former president Bakili Muluzi admitted he selected Mutharika as a successor over many senior UDF officials, nearly splitting his own party. Muluzi defended the selection based on Mutharika's economic reform experience, but said the people could no longer stand the backward steps on the road to democracy that Mutharika has taken. Muluzi called Mutharika a dictator who used intimidation, didn't allow free expression, and had no respect for the rule of law. He outlined several claims of corruption in the current government as well. Muluzi complained that foreign donors had been some of his biggest critics, but their current silence was viewed as a sign of tacit approval of Mutharika's actions. While Muluzi's claims obviously have a political motive, he rightly points out that Mutharika's own record on rule of law and corruption is not without flaws. End Summary.

MULUZI: MUTHARIKA A STEP BACKWARD FOR DEMOCRACY  
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[1](#)2. (C) On September 4, the CDA and poloff called on former president and current United Democratic Front (UDF) presidential candidate Bakili Muluzi, who was joined by former UDF National Secretary Harry Thomson and UDF Director of Research Humphrey Mvula. Muluzi told the CDA it was "the people" who were demanding that he return to run against Mutharika in 2009. He stated that the UDF fought long and hard for democracy, and the party would not let it slide backwards. Mvula explained that the UDF had consolidated democracy during Muluzi's decade in office and the UDF had felt in 2004 that it was time to marry democracy to economic transformation. Muluzi defended his selection of former political outsider Bingu wa Mutharika over several high-ranking UDF members based on the former's economic qualifications. He admitted the decision came close to splintering the party, but said these problems were in the past. However, Muluzi acknowledged his inability to see Mutharika's own ambition in 2004 continued to threaten the party. Muluzi reiterated that Malawians saw him as the only one who could rectify the deterioration in democracy that Mutharika had brought about.

A DICTATOR IN THE MAKING  
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[1](#)3. (C) Muluzi enumerated what he saw as Mutharika's

dictatorial tendencies, citing limits on freedom of expression, a one-sided anti-corruption drive that attacked only opposition figures, a stacked electoral commission, and the monopolization by government of public media. He said the conduct of the police was biased, pointing out that several of his rallies had been broken up or stopped before they started. He also claimed Mutharika had attempted to bribe traditional authorities to bar opposition parties from their areas and prevent opposition rallies. Muluzi, comparing Mutharika to Zimbabwe's Robert Mugabe, said that at least Mugabe passed laws enabling his actions, while Mutharika disregarded laws altogether.

¶4. (C) Mvula supported Muluzi's claims, stating the police are now targeting UDF members, investigating and arresting without warrants. Mvula claimed over 290 such cases existed against UDF officials, including treason charges against Vice-President Cassim Chilumpha and Muluzi himself (ref C). Mvula also warned the CDA that foreign missions should be careful in their dealings with the Malawi Electoral Commission (MEC), saying the commissioners were beholden to Mutharika. He also made the bold claim that the information systems consultants at the MEC were all brought in from Zimbabwe by Mutharika specifically to set up a parallel vote tally center to steal the election. (Comment: Ironically, Mvula was the purported UDF mastermind behind the claimed election rigging in 2004 in which many believe Muluzi engineered Mutharika's victory. End comment) Mvula had little confidence the judiciary would help to reign in Mutharika since the new Chief Justice, who was appointed without a Parliamentary quorum (ref D), also owed a political debt to Mutharika.

MULUZI: YOU WERE HARDER ON ME...

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¶5. (C) Muluzi and company continued a familiar UDF refrain that foreign-aid donors were harder on his administration than they have been on Mutharika. Muluzi pointed out that when he was in power, diplomatic missions leaned on him to open up Malawi Broadcasting Corporation to the opposition, yet now remained silent on the same issue. Muluzi also questioned donor silence on Mutharika's recent edict that all maize must be sold to government parastatal ADMARC (ref B) after pressuring him to liberalize the sector. Thomson went further, attacking Mutharika's highly-touted economic record, saying that although initially painful, the Muluzi regime yielded to donor pressure to float the kwacha exchange rate. This act led to a large devaluation of Malawi's currency. Thomson noted that Mutharika had essentially fixed the kwacha at MK 142 to USD 1 for well over a year without consequence. Thomson questioned how Malawi was still maintaining single-digit inflation without government manipulation given the rapid rise in prices of external commodities.

¶6. (C) Muluzi's main complaint, however, was the silence from the diplomatic community on Mutharika's violations of the rule of law. He was surprised donors did not comment more vocally on the lack of local government elections since 2005, the failure to implement Section 65 of the constitution in Parliament, and the "illegal" appointment of the electoral commission and other government officials. Muluzi admitted that his government also had disputes with the opposition just like Mutharika, but claimed he always kept an open dialogue with the opposition to find compromises. He contended that Mutharika, feeling donor silence equated to support, had refused to work with the opposition from the beginning of his administration and remained unwilling to discuss issues that divide the nation.

UDF CLAIMS DPP RIFE WITH CORRUPTION

¶7. (C) Muluzi, who is the subject of an active corruption

investigation himself (ref A), also asked why donors were silent on issues of corruption in the DPP. Muluzi cited the Clerk of Parliament procurement scandal, the bribery case involving Minister of Information Patricia Kaliati, claims of embezzlement by Minister of Justice Henry Phoya, and questionable awards of maize seed, fertilizer, and road construction contracts as examples of the ongoing corruption.

He said all of these have gone uninvestigated, unpunished, and unmentioned by donors. UDF party officials also repeatedly question how Mutharika has gone from living under his father's roof to owning at least four commercial farming enterprises since becoming President without raising any eyebrows among international partners.

IT TAKES ONE TO KNOW ONE

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18. (C) Comment: Muluzi and his cohorts are poorly positioned to criticize the current GOM given their own history and subsequent attempts to play puppet-master to Mutharika. Muluzi, viewed by many of UDF's prodigal sons as the only possible source of financing to confront Mutharika in next year's election, has at least superficially recemented relationships fractured by his annointment of Mutharika. He remains a charismatic and dynamic personality who commands public attention, if not widespread support. His repeated comments that "the people" are demanding his return lack credibility, and most observers do not believe he has a realistic chance to prevail in 2009. It is Muluzi's wealth, rather than strong support within the UDF, that has limited internal opposition (ref E). At the same time, Muluzi's claims about Mutharika's corruption, disregard for the rule of law, and potential for election rigging cannot be totally disregarded. After all, who better to know the potential abuses of government than one who practiced them for a decade. SULLIVAN